

Africa-focused Lekela plans to spend \$2bn to double renewables capacity

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Africa-focused renewables developer Lekela plans to invest around \$2bn to more than double its renewable power capacity on the continent over the next five years, its chief executive Chris Antonopoulos told Reuters.



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Lekela, one of Africa's largest renewables companies with a focus on solar and wind power, also plans to selectively expand beyond its current markets, which include South Africa, Egypt, Senegal and Ghana, and to invest in new opportunities such as battery storage, green hydrogen and desalination plants.

"Today, we have operations with approximately 1,000 megawatts and we plan to install another 1,500 megawatts over the next five to seven years. This will require a total investment value of around \$2bn," Antonopoulos told Reuters in a phone interview.

Financing will come from equity and debt, mostly with multilateral development banks and export credit agencies, as commercial banks in Africa don't usually offer long-term financing for such types of deals, he explained.



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He complained that Africa, with a population of 1.3 billion, of which 600 million do not have access to electricity, was getting much less investment than other parts of the world, while suffering disproportionately from the effects of climate change.

With the population expected to grow significantly over the coming years, "there should be much more investment to help drive sustainable economic growth, implement a just and equitable transition and expand renewables in the continent", he added.

A study by the University of Oxford published earlier this year showed that renewable energy is expected to account for less than 10% of Africa's electricity generation by 2030, showing massive investment is needed to unlock the continent's hefty wind and solar power potential.

Funding the transition to clean energy is all but impossible for many African countries, with the Brookings Institution, a Washington-based think-tank, estimating that one in five African countries do not have enough revenue to cover state costs.

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